

To provide fiscal support for the operation of the Committee for a Free Asia during FY 1953. (Project FY PHILAN)

FACTS BEARING ON THE PROBLEM

The Committee for a Free Asia was established early in 1951 for the purpose of advancing US objectives in Asia through overt psychological means. Committee Headquarters was established in San Francisco and Dr. Alan Valentine has been named President. A New York office and twelve overseas offices are planned. To date [] has been made available to the CFA.

The present budget proposal was originally submitted to the PBO on 11 April 1952. It was then recommended that the budget be reviewed and re-submitted in an amount not to exceed [] including capital cost of constructing radio transmitting facilities. Subsequent discussions with the Director have resulted in the presentation of an operating budget of []

Operating Budget (\$7,500,000). This covers the cost of an extensive program modeled in large part upon that of the National Committee for a Free Europe, and utilizing national committees, publications, educational assistance, motion pictures, radio, and support to religious, professional, civic, youth and rural groups. The program as presented embodies upwards a series of projects in the twelve areas covered. There are no substantive conflicts between the operating program proposed by CFA and other CIA or State programs.

Training. Approval of this budget and the program which it supports carries general approval of the type of project to be undertaken under it. CIA control of specific CFA projects will be maintained through complete coordination between CFA and CIA in the United States, and in the field through authorizing appropriate local CIA representatives to suspend projects when urgent CIA considerations dictate. Monthly reports on operations and finance will be submitted by CFA to CIA Headquarters in Washington.

In developing its program CFA will take over certain contemplated FE/CIA projects which should result in proportional savings in the cost of FE/CIA operations.

Capital Construction for Radio Free Asia. It has been determined in consultation with State and CIA that while existing broadcasting facilities can partially meet CFA needs for radio operations the development of its own facilities in mainland Southeast Asia maybe required if the full effectiveness of the program is to be realized. CIA and CFA will shortly complete a survey to determine the location and specifications of a suitable operation so that construction can be begun during FY 1953 if an appropriate program is worked out and approved. The location of the transmitters will be subject to CIA approval from a security and risk point of view.

No specific amount is hereby authorized to be expended for radio construction. However, it is contemplated that [] will be earmarked in the FY 1953 budget and held available for dedication to radio construction work, etc-- provided that a project for such expenditure is submitted by CFA and approved according to regular

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DATE 2007

SECRET

the project. In the operating budget does not include any sum for preparing the survey necessary to prepare specifications for a radio construction project, the CIA is authorized to release from time to time such amounts from the \$5,000,000 authorized for capital expenditures as in his opinion are necessary and appropriate to carry out this work, having in mind that a substantial portion of such survey work can and should be carried out by existing facilities of the Agency.

ACTION

At its special meeting on 7 May 1953, the Project Review Committee approved Project BT PILLAR, to provide financial support for the Committee for a Free Asia Fund (CFAF). This approval (a) authorized [] to cover anticipated operating costs for FY 1953; (b) authorized [] for capital construction in connection with radio installations and provided that CIA must approve any initial construction undertaken; and (c) authorized the WPA to release from the \$ [] as authorized those funds necessary for a preliminary survey of radio possibilities.

RECOMMENDATION

That Project BT PILLAR be approved in the amount of \$ [] and that [] be authorized for capital construction.

CONCURRED

(APPROVED) (DISAPPROVED)

SIGNED

Allen W. Dulles
Chairman, PRG

Signed

Director of Central Intelligence

12 May 1953

SECRET

The attached budget is the product of the original tentative budget and the many and sundry suggestions and criticisms made by our sponsors. There still are few signposts to guide us. Members of our staff sincerely believe that the coming fiscal year should be one of all-out effort. Delay or skimping this year may not mean merely the deferring of the program for one year, but it may mean that we will be confronted with a new set of conditions under which the program will be impossible. We are trying to avoid the old situation of too little too late. We believe our sponsors concur with this philosophy. Because of the many uncertainties involved, substantial amounts have been included for contingencies, but we feel very strongly that contingencies must be provided for the unknown.

The operating budget, as presented, reflects a substantial cut from the original tentative budget, and it should be pointed out that one of the increases recommended by our sponsors, namely, the cost of local national committees, has not been included because it would have been impossible to include such a substantial increase when the over-all total was being reduced.

The operating budget, as presented, is a realistic operating budget for the fiscal year. There obviously will be a lag, as personnel and program will not all be in full operation at the start of the fiscal year; but to have presented the budget solely on a basis of monies required would have been misleading because such a presentation would have concealed the fact that the monetary requirements for the following fiscal year would have been substantially higher.

Non-recurrent items have been segregated out of the operating budget for both Asian Operations and Radio to give a clearer picture of the over-all. This, however, does not mean that the money will not be required because Asian Operations, as an illustration, would be impossible without it. In the case of Radio, \$200,000 for radio receiving sets has been taken out of the operating budget and \$400,000 included in capital expenditures. This obviously is a non-recurrent operating item, and information passed on to us by our sponsors indicates the thinking that even \$400,000 may be too little.

No provision has been made in the budget for salary increases which must inevitably be made. Where such proves to be necessary, they will have to be taken out of the contingency item.

The Executive Committee, at a meeting held on April twenty-first, approved the budget presented to them with the understanding that there would be a reduction in Radio operating expenses and that Radio capital expenses would be revised as a result of discussions then being held with our sponsors. The attached budget is the one approved by the Executive Committee, except that Radio operating expenses have been reduced, and Radio capital expenses reflect the discussions referred to above.

April 25, 1952

BUDGET - FISCAL YEAR 1952-53

SUMMARY

(cents omitted)

1. General Administration

Salaries: (Schedule 1)

President's Office	51,780.	
Office of Vice Pres., Plans & Policy	128,300.	
Office of Vice Pres., Operations	37,800.	
Office of Vice Pres., Administration	<u>186,040.</u>	405,920.

2. Public Relations

[] []

Total Salaries

[]

3. Other Administrative Expenses (Schedule 2)

[]

Total Administrative Expenses

[]

4. Contingency Special Purpose Fund

[]

5. Operations

(a) American Operations

[]

(b) Asian Operations

[]

(c) Editorial Department

[]

(d) Radio - Operating Expenses

[]

Total Operating Expenses

[]

Total Administrative & Operating Expenses

[]

(e) Asian - Non-recurrent

[]

(f) Radio - Capital Requirements

[]

Total Budget

[]

Note: The detailed budgets for Administration and Operating Departments will be closely coordinated in order to avoid duplication of such items as travel, transportation, telegraphs, cables, etc.

April 25, 1952

Budget Fiscal Year 1943

Schedule (1)

Salaries

General Administration

Office of President

President	25,000.00
Assistant	7,500.00
Assistant	7,500.00
Admin. Assistant	4,080.00
Secretary	3,900.00
"	<u>3,800.00</u>

Total for Office of President

51,780.00

Office of Vice-President for Plans and Policy

Vice-President	15,000.00
4 Assistants @ 10,000.00	40,000.00
10 Aides @ 6,000.00	60,000.00
4 Secretaries	<u>13,300.00</u>

Total Vice-President Plans & Policy

128,300.00

Office of Vice-President for Operations

Vice-President	15,000.00
2 Assistants	16,000.00
2 Secretaries	<u>6,600.00</u>

Total Vice-President for Operations

37,600.00

Office of Vice-President for Administration

Vice-President	12,000.00
Ass't. Vice-President	10,000.00
Secretary	<u>3,800.00</u>
	25,800.00

Salaries - cont'd.**General and Administration - cont'd.****(Office of Vice-President for Administration)****Personnel Office**

Chief	9,000.00
Ass't. Chief	8,000.00
10 Staff - total	<u>35,300.00</u>
	52,300.00

Controller's Office

Controller	10,000.00
Ass't. Controller	7,500.00
4 Staff	<u>13,120.00</u>
	30,620.00

Purchasing Office

Purchasing Officer	6,600.00
Ass't. Purchasing Officer	4,200.00
3 Staff	<u>8,800.00</u>
	19,600.00

Communications & Records

Chief	4,200.00
12 Staff	<u>32,320.00</u>
	36,520.00

New York Office

Chief	11,000.00
Consultants	8,000.00
2 Staff	<u>7,500.00</u>
	25,500.00

Total Office of Vice-President Administration**188,040.00**

Budget Fiscal Year 1963

Schedule (1) Cont'd

Salaries - cont'd.

General & Administrative - cont'd.

Public Relations

Chief P.R. Office 10,000.00

Ass't P.R. Office 9,000.00

6 Staff - total 26,400.00

Total for Office of Public Relations 45,400.00

Grand Total - General Administration 451,320.00

GENERAL & ADMINISTRATIVE

Estimate
F. I. 153

Travel

Telephone

Teletype, including cables sent overseas

Postage

Reference material all library

Entertainment

Transportation of Kites to San Francisco

Freight & Express

Stationery & Office Supplies

Printing

Rent, Heat, Light & Water

Rental of Equipment

Automobiles — Gas, Oil, Repairs, etc.

Insurance - Furniture & Equipment

Insurance - Personnel

Premium on Fidelity Bonds

Professional Services

Photography

Outside Protective Service

New York Office

DEPARTMENT OF AMERICAN OPERATIONS

Estimate of Budgetary Requirements

The estimated overall budgetary requirements of the Department of American Operations for Fiscal Year 1953 are summarized below. The detailed tabulations which follow show a breakdown of these figures into their principal components.

Expenditures in the U. S.

SALARIES	\$ 223,500
OTHER OPERATING EXPENSES	[]
PROGRAM COSTS	[]
	<hr/>
TOTAL	[]
	<hr/> <hr/>

FUNCTIONS OF DEPARTMENT OF AMERICAN OPERATIONS

The Department of American Operations is responsible for establishing and maintaining effective liaison with organizations, groups and individuals within the United States, who, by virtue of their racial ties or particular interests or relations, are potentially important to the advancement of the Committee's program in the target areas in Asia. It will backstop the Department of Asian Operations and perform some of the staff work in this country incident to the latter's operations overseas.

It will seek to promote and strengthen anti-communist convictions among all Asians living in the United States. It will endeavor to gain their support for and solicit their advice regarding the Committee's operations in Asia. Further, in respect of the Chinese, as distinct from other Asians, it will seek to bring together the social forces and personalities among all Chinese in the United States so that they may contribute effectively to the combatting of Russian communist imperialism and its expansion in Asia.

DETAILED SCHEDULE OF ESTIMATED BUDGETARY REQUIREMENTS

SALARIES

Office of the Director

Director	\$ 10,000	
Administrative Assistant	4,900	
Secretary	3,600	
	<hr/>	\$ 18,500

Asian Relations Section

Section Chief	8,500	
Program & Planning Officer	7,500	
Administrative Secretary	3,900	
Secretary	3,400	
3 Program Specialists @ 7,200	21,600	
Clerk Stenographer	3,300	
N. Y. Office Representative (for all but Students)	1,900	
	<hr/>	55,900

Chinese Relations Section

Section Chief	8,500	
Program & Planning Officer	7,500	
2 Program Specialists @ 7,200	14,400	
Administrative Secretary	3,900	
Chinese (male) Announcements Assistant	4,800	
Clerk Stenographer	2,300	
	<hr/>	42,400

Student Relations Section

Section Chief	8,500	
Program & Planning Officer	7,500	
2 Program Specialists @ 7,200	14,400	
Administrative Secretary	3,900	
Secretary	3,400	
5 Associate Program Specialists @ 5,000	25,000	
2 Clerk Stenographers @ 3,300	6,600	
Office Clerk	3,300	
N. Y. Office Representative	1,900	
	<hr/>	80,300

American Relations Section

Section Chief	8,500	
Program Assistant	7,500	
Administrative Secretary	3,900	
Secretary	3,400	
1 Clerk Stenographer	2,300	
	<hr/>	26,600

TOTAL SALARIES

\$ 223,500

OTHER OPERATING EXPENSES

<u>Item</u>	<u>Totals for entire Department</u>
1. Furniture - - - - -	[]
2. Transportation of Personnel & Household Effects - - - - -	[]
3. Travel - - - - -	[]
4. Communications - - - - -	[]
5. Freight & Express - - - - -	[]
6. Postage - - - - -	[]
7. Stationery & Supplies - - - - -	[]
8. Books & Publications - - - - -	[]
9. Printing & Paper for Multilithing - -	[]
10. Professional Services - - - - -	[]
11. Rent & Utilities - - - - -	[]
12. Miscellaneous & Contingencies - - - -	[]
<hr/>	
TOTAL OTHER OPERATING EXPENSES	\$ []

PROGRAM COSTS

In U. S.

- ITEM 201. Sponsoring visits to the United States of eight selected Asian students, predominantly refugees, who, by virtue of their background and experience, would be dramatic exponents of the necessity for resisting communism and who would engage in student organizational activities on the Committee's behalf. []
- ITEM 202. Supplying Asian students and student organizations in the United States with periodicals which will counteract the influence of communist publications and propaganda, or the publication of an all student weekly. []
- ITEM 203. Providing Asian students and student organizations in the United States with recordings, such as those provided for in Item 4 of the Asian Operations budget and with reprints of articles, pamphlets or books considered to be helpful in creating a greater awareness of the communist threat. []
- ITEM 204. Providing financial assistance to selected Asian students in American universities and colleges who would do organizational work on the Committee's behalf or who are actively promoting anti-communism among other Asian students. []
- ITEM 205. Assisting Asian students in the United States to participate in seminars, study tours, work camps and international centers for Asian students so that they may have a broader educational experience directed toward democratic leadership development. []
- ITEM 206. Maintaining in the field a qualified Chinese educator who has the confidence of Chinese students in the United States, and who will travel from college to college throughout the nation with no apparent connection with the Committee, reporting to the Chinese students on conditions in Red China and to the Committee on the current thinking of the Chinese students. []
- ITEM 207. Assisting in the support of employment activities of the China Institute in order to maintain and expand the friendship of the Chinese students in the United States. []

ASIAN COSTS (continued)

In U. S.

- ITEM 208. Collaborating with the motion picture industry through provision of technical assistance and otherwise in connection with the production, on a commercial basis, of documentary and other films on themes in line with the Committee's objectives; and in the 16 m.m. adaptation of such films for showing to non-commercial audiences in this country and in Asia. []
- ITEM 209. Assisting Overseas Chinese in this country, after suitable exploration, to plan, prepare and conduct a general conference of representative leaders of the Chinese communities in the U.S. and other countries of North America for the purpose of organizing an overall Chinese anti-communist organization. (Joint financing between OPA and participating Chinese organizations.) []
- ITEM 210. Assisting the expansion of any new anti-communist organization resulting from the above conference and also assisting them in the development and execution of its program. []
- ITEM 211. Rent agencies and for the development of program items arising out of American operations. []

TOTAL PROGRAM COSTS

[]

Notes: In addition to its direct responsibility for the execution of the above listed program items, the Department of American Operations will act in a supporting capacity and perform staff work in this country in connection with many of the program items of the Department of Asian Operations. Participation in these items by the Department of American Operations does not require any monetary provision beyond that of salaries and other operating expenses already shown in the budget estimate under these headings.

Similarly, the activities of the Department of American Operations in maintaining liaison with various Asian groups in this country do not require monetary provision for specific program proposals since they will be chiefly personal contact work and no such are already provided for in the budget estimates for salaries and other operating expenses.

ASIAN OPERATIONS DEPARTMENT - 1942 BUDGET

SUMMARY

Note: The sub-letters after figures given below refer to breakdown figures on the following breakdown sheets.

	<u>U.S.</u>	<u>OVERSEAS*</u>	<u>TOTALS</u>
SALARIES AND ALLOWANCES	106,000 (a)	482,000 (d)	588,000
OTHER OPERATING EXPENSE			
Office Administration	[] (b)	[] (e)	[]
Costs not susceptible to Breakdown by Average Overseas Office Costs		[] (h)	[]
PROGRAM COSTS	_____	[] (i)	[]
Totals	[] (c)	[]	[]

Non-recurrent for second year

Original expenses
in operating offices

[] (f)

Non-recurrent

Original expenses
in opening offices

[] (g) -
[]

*Hong Kong, Manila, Tokyo, Singapore (to include Kuala Lumpur), Rangoon, Bangkok, Saigon, Djakarta, Taipei, Colombo, India, and Pakistan.

ASIAN OPERATIONS DEPARTMENT - 1951 Budget

STATEMENT

Asian Operations will work in Asia using all outlets at hand or that can be created or otherwise devised, including specifically National Committees (considered an outlet of the first order) and CFA offices in twelve areas (considered as creators or devisers of other outlets - bookstores, magazines, etc., as well as being outlets in themselves). In all areas CFA, represented by its overseas offices, will remain in the background keeping the position of the Asians, with and through whom it works (National Committees, etc.), well in the foreground, according them maximum credit for ideas and accomplishments even when the actual work has been done, to a large extent, by CFA American personnel.

ASIAN OPERATIONS REQUIREMENT - 1953 Budget

SAN FRANCISCO OFFICE

Breakdown of "Salaries and Allowances" - shown on Summary Sheet as (a)

Chief	\$10,000	
Assistant	4,000	
Assistant	4,000	
Assistant	4,000	
12 Deckmen @ \$5,000	60,000	
5 Secretaries @ \$3,000	15,000	
Total		\$106,000 (a)

Breakdown of "Other Operating Expenses" (b) - shown on Summary Sheet as (b) "Office Administration".

Travel (Overseas inspection trips by home office executives)	[]	
Telegraph and Cable (from S.F. to overseas)	[]	
Entertainment	[]	
Transportation of Effects (of ACD personnel from home to S.F., when specifically authorized)	[]	
Freight Expenses	[]	
Stationery and Office Supplies	[]	
Printing	[]	
Rent	[]	
Furniture and Fixtures	[]	
Miscellaneous	[]	
Total		(b)
Grand Total		(c)

ASIAN OPERATIONS DEPARTMENT - 1943 BUDGET

This portion of budget is based on the average cost of one overseas office and is multiplied by twelve to cover the twelve overseas offices.

Breakdown of "Salaries & Allowances" - shown on Summary Sheet as (d) (f) (e) and (g)

Salary Representative	10,000
1 Assistant @ \$8,000	8,000
Admin. Assistant	4,000
Allowances for 3 (average 70% of salary)	[]
Total	38,500 x 12 = (d) 462,000

Original Expenses in Opening Offices	(Travel, 3 people, 1-way (Unaccompanied air baggage (Per Diem SF & Overseas (3 people, 10 days SF - 10 days overseas @ \$12. - (Household Effects - 2 Non- (Passports, visas, medicals Recurrent (Clothing Allowance - 3 plus (Transport 3 dependents	[]
Total	[] 12 = (f) 193,200	

Breakdown of "Other Operating Expense" - Shown on Summary Sheet

Office Administration Costs - 1 Year

Local wages - 5 @ \$200 - \$1,000 mo.	[]
Rent @ [] per month	[]
Travel in area	[]
Telephone	[]
Telegrams, cables & postage	[]
Reference material	[]
Utilities - gas, light, water	[]
Freight express	[]
Local transportation @ [] mo.	[]
Office supplies @ []	[]
Printing, etc.	[]
Entertainment	[]
Insurance (office furniture & Equip.)	[]
Janitor Service @ []	[]
Contingencies and miscellaneous	[]
Total	[] x 12 = (e) []

Establishing Office

Original Expenses in Opening Offices	(Key money, etc. (Alterations (Furniture & Equipment (Legal Fees - (Technical & Security Equipment Non- (Contingencies and miscellaneous Recurrent	[]
Total	[] 12 = (g) []	

ASIAN OPERATIONS DEPARTMENT - 1945 Budget

Breakdown of "Other Operating Expenses" - Shown on Summary Sheet as (F) -
"Costs not Susceptible to Breakdown by Average Overseas Office Costs."

Travel by Editorial Staff (See Editorial Operating Exp. B)
Travel within Asia by Editorial Specialists

0[]

Communications (See Editorial Operating Expenses, C)
Press cables, overseas offices to San Francisco Office

[]

Freight & Express, including Air Express (See Editorial Operating Expenses, D)

Shipment Newsprint to Field^{**}
Shipment Printed Material to Field^{**}
Shipment Books to Field
Shipment of paper and printed materials in Field
(chiefly out of Hong Kong and Manila)

[]
[]

Postage (See Editorial Operating Expenses, E)
Editorial Material, Field to San Francisco

[]
[]

Books & Publications (See Editorial Operating Expenses, F)
Standard Small Reference Libraries for Overseas Offices
(12 offices 0[])
Overseas Book Purchases (12 offices 0[])

[]
[]

Subscriptions (See Editorial Operating Expenses, G)
U.S. Magazine subscriptions sent overseas
(12 offices 0[])
Subscriptions to local publications to send back to San Francisco and other overseas offices in the general area.
(12 offices 0[])

[]
[]

Contingencies
For members Editorial Staff in Field () each per month)
TOTAL

[]
[]

*Newsprint referred to here is covered in Item (J11) of the Editorial Department's Program Budget, which are borne by Asian Operations as indicated in the latter's Program Budget and carried under the same Item number (J11). Acquisition, transshipment and delivery of newsprint form a cardinal feature of CFA's overseas literary program. In many cases, newsprint will be more valuable than money since money may not be effective in many parts of Asia in the purchase of newsprint. Paper shipped will be for three purposes: For ourselves, that is, CFA publications; for newspapers and magazines supported by CFA, and as outright gifts or library to unaffiliated newspapers, magazines and publishing houses. In the prices quoted for freight costs of moving newsprint and materials, foreign duty charges are not included. It is anticipated that the National Committee established by CFA will be instrumental in easing such tariff regulations as may apply to newsprint, printing equipment and similar matters.

**CFA's maximum publication effort will be in foreign cities. However, a certain amount of material may, at the request of the field, be prepared in San Francisco. There will be a certain time value to such materials prepared at the San Francisco Office requiring distribution to the Field by air express.

ASIAN OPERATIONS DEPARTMENT - 1953 Budget

PROGRAM COSTS. Note: Program Item numbers have been assigned as follows:

Asian Operations 1 - 100
Editorial 101 - 200
American
Operations 201 - 300

Overseas

- Item 1. National Committees.
(11 @ \$ [] each - All offices except Hong Kong)
- Item 2. Supporting the expansion of the Boy Scout movement in the target countries for the development of future democratic leadership.
- Item 3. Supporting the expansion of the Girl Scout movement in the target countries for the development of future democratic leadership.
- Item 4. Supporting existing and sponsoring new 4-H type programs among rural youth in Asia.
- Item 5. Recording the voices of Chinese refugee students in Asia which will give a true picture of life under the Chinese Communist regime and making same available to Chinese students in Southeast Asia and in the United States.
- Item 6. A) Financing one year of scholarships at Hong Kong colleges for 100 Chinese refugee students in order to build anti-Communist leadership potential. (May be considered as CVA's participation in the Judd Committee Program.)
B) Financing professorships at Asian colleges for refugee Chinese intellectuals. (May be considered as CVA's participation in the Judd Committee Program.)
- Item 7. Supporting the Madras office of the World University Service for one year, through the World Student Service Fund, so that this organization can continue and expand its self-help leadership and educational program in Southeast Asia.
- Item 8. Sponsoring in selected Asian nations essay and oratorical contests for students on the nature or value of democracy or some related topic, and to award the winners.
- Item 9. Continuing and expanding the program of solicitation and transmission of gift packages of vegetable seeds to Asian food-shortage areas.
- Item 10. Sponsoring research by Jesuit priests into Chinese Communist operations in Hong Kong for distribution in Asia.

ASIAN OPERATIONS DEPARTMENT - 1951 Report

Program Costs (Cont'd)

- Item 11. Initiating and supporting an anti-Communist information exchange program between religious groups in Asia, including reprinting and distribution of appropriate articles. []
- Item 12. Co-sponsoring and supporting an inter-Asian exchange of speakers for the purpose of solidifying anti-Communist convictions in Asia and for the development of inter-Asian understanding. []
- Item 13. Providing books, laboratory, and scientific equipment and other materials to colleges and selected middle schools in Asia so that they may be able to expand their facilities. []
- Item 14. Setting up an Asian working committee of educators in Asia to study and recommend action concerning the establishment of a Free Asia university. []
- Item 15. Sponsoring for one year a chair of constitutional law or American History covering "History of Western Democracy" at Taiwan University and at one college to be selected in each of the following countries: Thailand, India and Pakistan. []
- Item 16. Supporting the calling of an Asian Editors' Conference in Manila. []
- Item 17. Contingencies for development of program items arising out of Asian Operations, not including programs that may be inherited, for which, presumably, additional funds will be provided. []
- Item 100. Establishing bookstores. As indicated by its number, this item is back-stopped by Editorial Item #101 which carries a U.S. cost of []. The task of OVA is to get written materials of its interest into the hands of Asian readers. This involves not merely preparation and production, but distribution as well. In the cities mentioned, retail outlets for books and periodicals are in Communist or pro-Communist hands. OVA-owned, operated or supported bookstores are therefore desirable. They will have the appearance of being normal commercial establishments. However, the books will be sold at cost or under cost. In other words, pricing of items for sale will be determined by policy, not by commercial consideration. Every attempt will be made to operate the stores in an efficient manner looking toward possible eventual self-support. Upon appropriate authorizations and approval, funds accruing from sales will be plowed back into the operation of the stores.

Hong Kong - A major store in the downtown area
(Breakdown of above costs listed in HK Bookstore
& Publication Center - Projects No. 22 & 23 of Jan.
10, 1952)

ASIAN OPERATIONS DEPARTMENT - 1953 Budget

Item 101 (Cont'd)

Hong Kong - Two medium-sized stores in Kowloon

Rangoon, Burma - A major store (Cost estimated on higher cost of living than Hong Kong)

Mandalay, Burma - A medium store

Kuala Lumpur, Malaya - A medium store (Bookstores in Malaya are banned by emergency ordinance from selling Communist literature, yet there is no attractive store for Chinese and Malay-language publications. Such a store would become a wholesome meeting place for young people to read and otherwise absorb our materials.)

Saigon, Indo China - A major store (This store would be located in Cholon, the Chinese city adjacent Saigon. Materials would be nearly wholly in Chinese.)

Item 102. Originating or supporting magazines published overseas - Backstopped by Editorial Item #102.

Hong Kong

Monthly of Father Sheridan

Monthly of L. L. Yuen

Quarterly planned by J. Ivy

India (2 each)

Pakistan (1 each)

Thailand (1 each)

Japan (2 each)

Philippines (1 each - NAMWREL)

Indo-China (1 each)

Burma (1 each)

Malaya (2 each)

Indonesia (1 each)

Item 104. Preparation of Schoolboy readers ^{using} outlets only those school systems that will undertake distribution through its teachers. Backstopped by Editorial Item #104.

Philippines

Malaya

India

Pakistan

Japan

Thailand

Korea

Formosa

ASIAN OPERATIONS BUDGET - 1951 Budget

- Item 105. Operating or supporting newspapers:
Hong Kong (2 each - inherited)
Indo-China (1 each)
Thailand (1 each - inherited)
Burma (1 each)
- Item 107. Translating 20 books @ \$ each to be printed and bound. Backstopped by Editorial Item #107 - Note entry under latter.
- Item 108. Originating and supporting comic books - a portion of which may be a Counsel Services item. Backstopped by Editorial Item #108. Note entry under latter and see Editorial Item #113.
Hong Kong (producing for S.E. Asia)
Indo-China
Thailand
Burma
Malaya
India
Pakistan
Indonesia
- Item 109. Sending American reporters or Editorial specialists to overseas offices on specific but continuing assignments. Backstopped by Editorial Item #109.
Japan (1 each)
Hong Kong (1 each - for HK Standard)
Thailand (1 each - for Bangkok Post)
India (1 each)
- Item 111. Providing printing equipment overseas where shortages prevent adequate publishing facilities. Backstopped by Editorial Item #111.
Burma (Buddhist program)
India (Hassani program)
Indonesia
Pakistan
- Item 112. Producing Chinese-language textbooks for use in overseas Chinese schools in Malaya and elsewhere in Asia. Backstopped by Editorial Item #112.

TOTAL PROGRAM COSTS

REPORT, FINANCIAL STATEMENT

XXXXX

Expenditures in U.S.

SALARIES

\$ 119,600

OTHER OPERATING EXPENSES

[]

PROGRAM COSTS

[]

TOTAL

[]

EDITORIAL MATERIAL

STAFFING

The Editorial Department, under the general supervision of the Vice President for Operations, has the responsibility of planning the Committee's work in the field of the written word and of executing that small portion of the approved plans which should and can be carried out in San Francisco.

Thus, nearly the total amount of the Editorial budget which follows is carried in the budget of the Asian Operations Department, since the programs covered by this budget must and will be carried out in Asia. But since the Editorial Department did the work in estimating costs of the Committee's written program, an Editorial budget as such is hereby submitted. Presentation of an Editorial budget as such serves also as a reminder that the Committee is thinking in terms of an integrated program overseas, although it is our intention to maintain separate offices in as many as fourteen locations in Asia.

The Editorial program is drawn up not merely in terms of preparation of written material, but also with much thought on how the material can be got into the hands of potential Asian readers. Thus, Item 1 of the Editorial program concerns bookstores—to provide the vitally needed retail outlet for the written word in the form of books and periodicals. Subsequent programs concern school textbooks and schoolboy readers, again emphasizing the Committee's determination to plan for specific and feasible distribution systems along with the nature of the message concerned.

Print. Editorial Personnel

SALARIES:

<u>Present Salaries</u>		<u>1953 Additions</u>	
Chief	\$10,000.00	Textbooks Editor	\$ 9,000.00
Assistant Chief	9,000.00	Comic Books Editor	9,000.00
Language Personnel (8)	41,400.00	Editor-Writer	8,000.00
Library (4)	14,900.00	Clerical (3)	10,800.00
Clerical (2)	<u>7,500.00</u>		<u> </u>
TOTAL	\$ 82,800.00		\$ 36,800.00

TOTAL SALARIES FOR 1953: \$119,600.00

Budget, Editorial Department

Operating Expenses

(A) Transportation of New Employees (single, no household goods)

Four Editorial specialists to the field

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(B) Travel by Editorial Staff

Travel within U.S.

Travel within Asia by Editorial Specialists (Costs borne by ACD)

Travel to field by Editorial executive

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(C) Communications

Press cables (From San Francisco to field offices)

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(D) Freight and Express Including Air Express

Shipping Newsprint to Field (Costs borne by ACD)

Shipping printer's material to Field

Shipping books to Field

Shipping of paper and printed materials in field
(usually out of Hong Kong & Manila)

(E) Postage (For Editorial material, SF to field)

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(F) Books and Publications

Standard small reference libraries for (Costs borne by ACD)

Overseas office #3500 (12 offices)

Local book purchases (12 offices @ \$200)

(G) Subscriptions

U.S. magazines to 12 field offices @ \$150 (Costs borne by ACD)

Subscriptions in field

(H) Rent Editorial portion of Hq. rental

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TOTAL

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Budget, Editorial Department

PROGRAM COSTS

Bookstores. To establish bookstores as indicated below for retail distribution of anti-Communist literature.

Item #101	Hong Kong (3 ea.) Burma (2 ea.) Malaya (1 ea.) Indo China (1 ea.)	Costs borne by ACD except for <input type="checkbox"/> for purchase of promotion items to be carried in the overseas bookstores, such as fountain pens.
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Magazines--Published overseas (Originated or supported by CFA)

Item #102	Hong Kong Monthly of Father Sheridan Monthly of L. Z. Yuan Quarterly (planned by Ivy) India (2 ea.) Pakistan (1 ea.) Thailand (1 ea.) Japan (2 ea.) Philippines (Manfred mag.) Indo China (1 ea.) Burma (1 ea.) Malaya (2 ea.) Indonesia (1 ea.)	Costs borne by ACD
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Magazines--Published in U.S.

Item #103	CFA Magazine to be published in San Francisco for English-reading public overseas. (Circulation of this magazine will be kept low. It is not conceived as a primary propaganda vehicle in itself, but rather as a continuous advertisement of the policies for which CFA stands. Nearly all articles in the magazine will be written by Asian writers. The magazine will be a means of CFA's giving an indication of its policy toward Asian affairs without having to assume the responsibility of issuing frequent policy statements.)	
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Schoolboy Readers. (In graded series in the manner of "My Weekly Reader"). These publications will be prepared only when the teachers in the school systems concerned will undertake to act as distributors.

Item #104	Philippines Malaya India Pakistan Japan Thailand Korea Formosa	Costs borne by ACD
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Editorial Department

Newsletters (Operated or Supported by CFA)

Item #105 Hong Kong (two each - inherited) Costs borne by ACD
Indo China (one each)
Thailand (one each - inherited)
Burma (one each)

Translation and Publishing of Books

Item #106 (Note that printing & binding costs of the books are not provided. It is contemplated that CFA's contribution in a book translation program should be the clearance of copyrights and, where necessary, the granting of paper for the job. Paper costs are included in Item #110, Newsprint below.)
Copyrights for 20 volumes @ []

Translations. 20 fees @ \$300

Item #107 Please note subsequent entry on Newsprint Item #110 below. Costs borne by ACD

Comic Books - To be originated or Supported by the CFA

Item #108 (Preparation of some of the comic books may well be a Council Services project. See Item #113, Bookbinding below.)
Hong Kong (Producing for S.E. Asia) Costs borne by ACD
Indo China
Thailand
Burma
Malaya
India
Pakistan
Indonesia

Costs involved in sending American Reporters or Editorial Specialists to Foreign Posts on specific but continuing assignments.

Item #109 Japan (1 ea.) Costs borne by ACD
Hong Kong (1 ea. for HK Standard)
Thailand (1 ea. - Bangkok Post)
India (1 ea.)

Item #110 Newsprint - Purchase and Stockpiling of Newsprint for Immediate Shipment to Overseas Posts where shortages may exist.
2,000 tons Newsprint @ average price [] per ton

Printing Equipment - For use in overseas posts where shortages prevent acquisition of publishing facilities

Item #111 Burma (Buddhist program) Costs borne by ACD
India (Hindu program)
Indonesia
Pakistan

Indonesian Military Personnel

Textbook Program

Item
#112

Costs of production of Chinese-language textbooks for use in Overseas Chinese schools in Malaya and elsewhere in Asia. Costs borne by ACD

Printing and Binding

Item
#113

Cost of publications not immediately foreseen, including preparation of experimental and sample publications for later development in the field, and including contract work to be supplied by Commercial Services, and other professional and miscellaneous services.

TOTAL

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Form 1-64

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